

REPORT OF THE SECRETARY OF THE ARMY

Introduction

Two years ago, the Army articulated its Vision—People, Readiness, and Transformation—that defined how the Army will meet the nation’s requirements today and into the future. Applying the insights gained from its vast operational experience and its leading edge work in battle labs, warfighting experiments, and exercises, the Army undertook the task of self-transformation to furnish the nation with a land combat force that is strategically responsive and dominant across the full spectrum of military operations.

The 2001 Quadrennial Defense Review articulated a need to transform all U.S. forces, capabilities, and institutions in order to extend America’s advantages well into the future—thereby endorsing Army Transformation, which was already under way. The attacks of September 11, 2001 and America’s opening moves in what is sure to be a lengthy war on terrorism also confirm the relevance and value of landpower and validate the Army’s strategic direction with regards to transformation.

Meeting Current and Future Challenges

The 2001 Quadrennial Defense Review also established a new strategic framework to defend the nation that confirmed the importance of transformation and set a reasonable balance between near-term readiness and transformation for the future security environment. The Army is meeting these needs by transforming on three axes—the Objective Force, the Interim Force, and the Legacy Force. The support in the QDR for acceleration of the Interim and Objective Forces and selective upgrades to the Legacy Force give the Army confidence that its decisions two years ago were on course in order to meet the needs of our nation.

Accordingly, Army Transformation will pursue advanced technologies that will lead to unprecedented intelligence, surveillance, and reconnaissance

capabilities coupled with ground, air, and space sensors networked into a common integrated operational picture. Soldiers and leaders will harness the power of information systems through networked systems to seize and retain the initiative, building momentum quickly for decisive outcomes. The Army has already realized the advantage of digitized capabilities with the fielding and experimentation of the 4th Infantry Division (Mechanized) and will soon benefit from the network centric capabilities embedded in the Interim Force.

The Army must carefully balance its mission requirements of today with the requirement to continue transforming forces, capabilities, and institutions to extend and enhance its capabilities to meet the challenges of an uncertain strategic environment. Defending the United States and executing global missions during the war on terrorism require that the Army accelerate the process of change. The Army, in concert with industry, must adapt and streamline the development and acquisition processes to realize greater capabilities in the near term. This effort will also generate additional momentum toward achieving the Objective Force...by the end of this decade!

Current Operations

Since October 2001, Army conventional and special operations forces have supported Operation Enduring Freedom in the Afghanistan Theater of Operations. Army Special Forces have designated targets for air strikes, performed reconnaissance and security missions that facilitated the safe introduction of follow-on forces, conducted alliance-building activities for direct action, and enabled the introduction of sustained follow-on missions. Outside Afghanistan, soldiers provided rear area security to joint forces, critical facilities, and supply lines for the theater. Currently, approximately 12,000 soldiers are deployed to the United States Central Command's area—from Egypt to Pakistan, from Kenya to Kazakhstan. While hostilities in Afghanistan are receding, requirements for conventional Army forces are growing—from assuming security for the airfield and detainee facility at Kandahar, to securing detainees at Guantanamo Bay, Cuba, to deployments to the Philippines in furtherance of the global war on terrorism.

At home, the Army continues its long tradition of support to the homeland. Even before September 11, the Army had trained Weapons of Mass Destruction Civil Support Teams ready to support civil authorities and 28,000 first responders in 105 cities. Since September 11, the Army has mobilized over 24,000 Army National Guard and Army Reserve soldiers to federal service. Nearly 13,000 soldiers are now on state-controlled duty securing airports, seaports, reservoirs, power plants, the nation's capital region, and serving at "ground zero" in New York City alongside the U.S. Army Corps of Engineers. While the Army remains engaged at home, it is prudently planning for follow-on operations around the world.

Fighting the global war on terrorism in no way diminishes the support the Army provides to the combatant commanders for missions and operations around the world. The Army has over 124,000 soldiers and 38,000 civilians forward stationed in 110 countries. On any given day last year, some 27,000 soldiers were deployed to 60 countries for operations and training missions. Soldiers have been on the ground in the Balkans for six years, in Saudi Arabia for eleven years, in the Sinai for nineteen years, and in Korea and Europe for over fifty years, working to assure peace and stability.

Maintaining Readiness

The Army remains the best in the world because it has previously fully funded its Combat Arms Training Strategy in order to conduct tough, demanding training. The Army cannot continue to do this without further degrading its infrastructure, sustainment, and ability to deploy rapidly. Readiness today depends on adequate live fire and training ranges with sufficient maneuver area in which to train for the wide spectrum of military operations it is likely to perform. To ensure our soldiers remain the best in the world and ready to perform a full array of missions, the Army requires modernized training facilities.

As the Army brings the Interim and Objective Forces to full operational capability with new systems, new organizations, and new doctrine, the associated training enablers and training infrastructure that will allow it to conduct realistic and relevant training will be critical and must be funded now to meet expected fielding timelines.

Measuring readiness now and in the future requires accuracy, objectivity, and uniformity. The Army is redesigning its current readiness reporting system to bring greater clarity to readiness reporting and are developing a Strategic Readiness System to provide senior leaders with an accurate and holistic near real time readiness picture representative of the entire force (operating force, generating force, sustainment capability, and infrastructure). Prototyping of the Strategic Readiness System has been conducted at selected installations and development will continue to ensure compliance with congressionally directed readiness reporting.

Strategy

In response to the changing global environment, the Army began to reorient its posture towards new capabilities. To bridge the gap between the Legacy and Objective Forces, the Army will field an Interim Force equipped and trained with currently available technology. Transformation of the entire force, however, will take time. The continued readiness of the Legacy Force, through selective modernization and recapitalization, is required to meet today's challenges and to provide the time and flexibility to get transformation right. The Objective Force will provide dramatically enhanced situational awareness, survivability, and lethality within a force that is dominant across the full spectrum of operations.

The Legacy Force

The Army of today, the Legacy Force, consists of heavy, light, and special operations forces. Army special operations—officers and NCOs drawn primarily from conventional units—are highly trained professionals who provide unique capabilities to the joint force and the nation. The Army's heavy forces provide unparalleled lethality on the battlefield, able to defeat any enemy, and its light forces have a capability to deploy rapidly and, if required, conduct forced entry operations in any part of the globe to demonstrate U.S. resolve. However, its heavy forces must become more strategically deployable and more agile with a smaller logistics footprint. Its light forces must become more lethal, survivable, and tactically mobile. Even though Objective Force units will eventually replace Legacy Force units, its legacy formations must retain the capabilities to meet America's commitments for the foreseeable future. In this manner, the Army will

mitigate the risk associated with balancing operational and transformational imperatives.

The Interim Force

To capitalize on the best aspects of the heavy and the light forces—overpowering lethality and rapid deployability—the Army has created an Interim Force that will provide warfighting CINCs a more responsive and versatile force until the Objective Force is operational. Interim Force capabilities will provide the Joint and Multinational Force Commander increased operational and tactical flexibility. The Army is transitioning at least six maneuver brigades, including one ARNG brigade, to Interim Brigade Combat Teams (IBCTs) equipped and trained with currently available technology and significantly enhanced light armored vehicles. The Interim Force harnesses network-centric capabilities and will take full advantage of information technologies for significant increases in combat effectiveness. The Army has organized two IBCTs at Fort Lewis, Washington, and is considering additional units to be stationed within the United States and overseas. The QDR called for the Secretary of the Army to accelerate the introduction of forward-stationed Interim Brigade Combat Teams (IBCTs) to strengthen deterrence and improve U.S. strategic responsiveness on a global basis. In consultation with European allies, the United States envisages that an IBCT will be stationed in the European area by 2007.

The Army recognizes it must train and educate adaptive and self-aware military and civilian leaders who are capable of mastering the transitions of future warfare. As part of transformation, the Army has reviewed, assessed, and provided recommendations for the development of its 21st century leaders in the civilian, officer, warrant officer, and non-commissioned officer corps. The Army is incorporating the results of these various leader development studies into training development programs for Objective Force leaders to develop a generation of Army leaders and soldiers that know “how to think, not what to think.”

The Objective Force

The main effort of transformation is the Objective Force. The Objective Force is our future full spectrum force: organized, manned, equipped, and trained to be more strategically responsive, deployable, agile, versatile, lethal, survivable, and sustainable across the entire spectrum of military operations from major theater wars through counter terrorism to homeland security. Army Objective Force units will dominate land operations, providing the decisive complement to air, sea, and space operations. They create synergy within the Joint Task Forces by controlling ground, where people and political authorities reside, and by defeating our opponents in their protective sanctuaries or forcing them into the open where they can be destroyed with joint fires.

Our goal is to achieve the fielding of an Objective Force capability by the end of this decade. To do so will require a combined effort by the Army, its sister services, the Congress, the business and academic communities, and science and technology stakeholders across the country. The Army released the Objective Force Concept in November 2001 to describe the advanced capabilities, core technologies, and the training and leader development aspects needed to enable the Objective Force.

The Objective Force is being developed via a system of systems approach that will include a new family of ground systems, the Future Combat Systems (FCS). The FCS will allow ground force commanders to bring a substantial, perhaps even exponential, increase in combat capabilities to the joint force and without a large logistics footprint. In early 2002, the Army will name a Lead Systems Integrator who will be responsible for transitioning the FCS from concept development to options for production. The Army will allow for the acceleration in technology by building the FCS to accept technology insertions as it becomes ready.

The FCS will complement other systems in the Objective Force through networks that empower soldiers and leaders with information and decision superiority and enable combat overmatch through their synergy. The Comanche helicopter, the Objective Force Warrior System, and enhanced command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR) are planned to maintain the overall network-

centric superiority for the Objective Force. The Comanche helicopter provides the Objective Force with an armed aerial reconnaissance/attack capability that will enable ground commanders to organize and synthesize combat information and to control operations with low-observable, survivable, man-in-the-loop technology. The Objective Force Warrior System will not simply modernize the current, state-of-the-art Land Warrior Soldier System, but will offer a quantum leap forward, with ballistic, chemical, biological and environmental protection with lower observable technology at greatly reduced weight.

Terrestrial systems alone will not enable full-spectrum dominance. The Army views space as a vertical extension of the battlefield, and space capabilities are key force multipliers for land force operations. Objective Force commanders will be able to access, leverage, and integrate the capabilities of the total force, to include national agencies, strategic and operational units, tactical organizations, and joint/multinational forces to use and leverage the full spectrum of C4ISR and Information Operations capabilities.

People

People—soldiers, civilians, retirees, veterans, and families—are the Army. They make the sacrifices and take the risks on behalf of the nation. Because of this, the Army is committed to the well being of its people. The Army's success in maintaining the well being of its people is reflected in its achievement of 100 percent of its recruiting and retention goals—across the active component, National Guard, and the Army Reserve—for the second year in a row. Aiding in the recruitment effort, the Army unveiled a new campaign at the beginning of the year—An Army of One—that raised the awareness and interest of potential soldiers. The Army is working to generate sustained success in recruiting and manning to give it the edge to meet its requirements as it secures the homeland, fights and wins decisively, and transitions for the future.

The Army believes a commitment to well-being is vital to maintaining the quality of its force. Well-being incorporates both the quantifiable and intangibles such as family satisfaction, professional growth, high quality training and education opportunities, personal recognition, and confidence

that make an Army career attractive. Enhancements in support of the Defense Health Program, military and civilian compensation, and Army initiatives such as eArmyU—the cutting-edge, completely online education program—are assisting in recruiting and retaining the best people possible. Increases in compensation for soldiers to close the gap between military pay and civilian sector pay are essential. Targeting increases for enlisted grades and mid-grade officers will help it address recruiting and retention concerns for those soldiers who will lead and serve in the Objective Force.

Recapitalization

As the Army builds the momentum of transformation, selective recapitalization and modernization provide the warfighting capability that allows it the time to fully transform. Recapitalization rebuilds or selectively upgrades existing weapons systems and/or tactical vehicles, while modernization develops and procures new systems with improved warfighting capabilities. The Army is focusing resources on systems essential to maintaining warfighting readiness. The Army has identified seventeen of its systems and focused its resources in selected units for the Prioritized Recapitalization Program. The seventeen systems include the AH-64 Apache, UH-60 Black Hawk, CH-47 Chinook, M1 Abrams, and M2 Bradley. The Army accepted an inherent risk with its remaining units by focusing its recapitalization effort to help free resources for transformation. The Army has also made many other tough decisions and tradeoffs by restructuring or eliminating programs to fully fund transformation between FY 2003 and FY 2007.

Army Installations

Army installations are critical to readiness. They allow the Army to take care of its families, support training, and provide power projection platforms. Worldwide, the Army maintains over 160,000 buildings with approximately one billion square feet of space, more than 100,000 family housing units, 28,000 miles of paved road, and physical plants worth over \$220 billion. Over the past decade, the Army postponed long-term facilities revitalization to fund unit readiness. The end result is that the Army has world-class soldiers working and living on third-class installations. As facilities get older, anticipated sustainment, restoration, and maintenance

funding levels will not keep pace with rising costs, as there are shortfalls over the next five years of approximately \$3 billion. Exacerbating this situation is the fact that the Army has about 20 to 25 percent more facility infrastructure than needed. The cost of operating and sustaining these facilities directly competes for funding with its warfighting forces. Realigning or closing excess facilities will focus funds on installations that are actually needed and reduce the recapitalization rate of those that remain to a level closer to the DoD goal of 67 years by 2010. The Army is divesting of previously mothballed facilities, planning for base closures, and has begun examining the best ways to capitalize on the success of the Residential Communities Initiatives.

Efficiencies and Innovations

The need to transform the Army encompasses more than just achieving the Objective Force. Transformation applies to what the Army does, as well as how it does it. Over the past decade, modern business practices have changed in fundamental ways, leading to significantly increased productivity, lower costs, and higher quality outputs. Now, the Army confronts an urgent need to transform its business processes both to enhance the capabilities and creativity of its people and to free up resources needed to transform the warfighting force. Bureaucratic boundaries must be broken. Many functional activities need to be examined, improved, streamlined, or eliminated. The Army must focus constrained resources on achieving excellence in those areas that contribute directly to warfighting. Thus, transformation of business practices cannot wait—and the Army is starting at the top.

The Headquarters of the Department of the Army (HQDA) is realigning its Secretariat and Army Staff to create a more streamlined headquarters, enhance decision-making, promote unity of effort, and achieve efficiencies in manpower and funding. Where appropriate, business practices and techniques will be applied to selected functions to achieve enterprise solutions and accompanying efficiencies. The Army will seek greater integration of the reserve components into the HQDA staff, allowing it to operate more effectively. The Army plans to return any resultant savings in manpower to other Army units or, in the case of civilians, find them positions in continued Army service.

Proposed realignments will also respond to concerns of the Congress for improved acquisition management needed to field the Objective Force. To improve quality of service and support, the Army will centralize Installation Management with the intent of achieving greater standardization of services for soldiers and their families. Further, realignment initiatives already underway will help the Army meet the Congressionally mandated fifteen percent reduction in headquarters' staffs.

Conclusion

In the years since the fall of the Soviet Union, the Army has been dramatically reduced in endstrength, force structure, and warfighting systems, but the international security environment has underscored ongoing and new requirements for soldiers to represent national interests globally. These increasing demands create turbulence by intensifying the competition for resources and reducing needed investments in people, systems, platforms, and research and development. Proper endstrength and resourcing will minimize turbulence and the inherent accrual of operational risk as it balances the requirements to conduct essential ongoing operations, meet extant threats, and prepare for future warfare through Transformation.